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GALLAGHER SECURITY CORP. ANNOUNCES PRIVATE PLACEMENT

News Release - Kelowna, British Columbia – February 26, 2021 Gallagher Security Corp. (the "**Company**") (CSE:GLL) is pleased to announce that it intends to complete a non-brokered private placement of up to 8,000,000 units (each a "**Unit**") at a price of \$0.125 per Unit for gross proceeds of up to \$1,000,000 (the "**Private Placement**"). Each Unit will be comprised of one common share and half a common share purchase warrant (each a "**Warrant**"). Each Warrant is exercisable to purchase one common share of the Company at a price of \$0.20 per share for a period of 24 months from the date of closing of the Private Placement.

The Private Placement is subject to Canadian Securities Exchange (the "**Exchange**") approval and all securities are subject to a four month hold period. Finder's fees up to 8% may be payable in connection with the Private Placement, all in accordance with the policies of the Exchange and applicable securities laws.

The net proceeds from the Private Placement will be used for future exploration work on the Company's projects, due diligence on MyCelium, advancing funds or investing in the joint-venture with MyCelium, corporate development, and general corporate and working capital purposes.

About Gallagher Security Corp.

Gallagher Security Corp. is a Canadian based company that entered into a Letter of Intent ("**LOI**") with MyCelium Warehouse Ltd. ("**MyCelium**") (see the news release dated February 23, 2021). MyCelium is positioned to be the leading supplier of the total infrastructure requirements and services to individuals and companies looking for the 'Home Depot' of the thriving Medical and Recreational Mushroom sector. Gallagher Security Corp. is headquartered in Kelowna, British Columbia. Common Shares are listed on the CSE Exchange under the symbol "GLL".

Further Information

Further details regarding the proposed transaction and the resulting entity will be provided in a comprehensive news release if, and when, the parties enter into a definitive agreement.

The definitive agreement will incorporate the principal terms of the proposed transaction described in the LOI, and in addition, such other terms and provisions of a more detailed structure and nature as the parties may agree upon after receiving further tax, legal and financial advice from their respective advisors. However, there is no assurance that the definitive agreement will be successfully negotiated or entered into.

ON BEHALF OF THE BOARD

"Dev Randhawa"

Dev Randhawa, CEO

The CSE does not accept responsibility for the adequacy or accuracy of this news release.

This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful, including any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**1933 Act**") or any state securities laws and may not be offered or sold within the United States or to, or for account or benefit of, U.S. Persons (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration requirements is available.

Cautionary Statement Regarding Forward Looking Information

This news release may contain forward-looking statements or information including but not limited to comments regarding the potential signing of the definitive agreement, the closing of the Private Placement and use of proceeds, statements about MyCelium and its intentions, and other matters. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements and the Company undertakes no obligation to update such statements, except as required by law.

There can be no assurance that the potential transaction with MyCelium will be completed.

All information in this news release concerning MyCelium has been provided for inclusion herein by MyCelium. Although the Company has no knowledge that would indicate that any information contained herein concerning MyCelium is untrue or incomplete, the Company assumes no responsibility for the accuracy or completeness of any such information. Investors are cautioned that, except as disclosed in a listing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

Forward-looking statements are based on the then-current expectations, beliefs, assumptions, estimates and forecasts about the business and the industry and markets in which the Company operates, including that: general business and economic conditions will not change in a material adverse manner; and financing will be available if and when needed on reasonable terms. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved), and variations of such words, and similar expressions are not statements of historical fact and may be forward-looking statements. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Investors are cautioned that all forward-looking statements involve risks and uncertainties, including: that the Company may not be able to raise additional funds when necessary; fluctuations in currency exchange rates; the impact of Covid-19 or other viruses and diseases on the Company's ability to operate and complete transactions; failure of counterparties to perform their contractual obligations; failure to obtain regulatory and stock exchange approvals; and other risks and uncertainties listed in the Company's public filings. These risks, as well as others, could cause actual results and events to vary significantly. Accordingly, readers should not place undue reliance on forward-looking statements and information, which are qualified in their entirety by this cautionary statement. There can be no assurance that forward-looking information, or the material factors or assumptions used to develop such forward looking information, will prove to be accurate. The Company does not undertake any obligations to release publicly any revisions for updating any voluntary forward-looking statements, except as required by applicable securities law.